

Minutes of actions taken by the Board of Governors of the Federal Reserve System on Monday, April 25, 1949.

PRESENT: Mr. Szymczak, Chairman pro tem.  
Mr. Draper  
Mr. Vardaman

Mr. Carpenter, Secretary  
Mr. Sherman, Assistant Secretary  
Mr. Morrill, Special Adviser  
Mr. Thurston, Assistant to the Board

Letter to Mr. Hill, Vice President of the Federal Reserve Bank of Philadelphia, reading as follows:

"In accordance with the request contained in your letter of April 21, 1949, the Board approves the designation of the following as special assistant examiners for the Federal Reserve Bank of Philadelphia.

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|-------------------------|-----------------------|
| Lawrence Dash           | Nancy M. McKee        |
| George M. Dorrance, Jr. | Elinore D. Mitchell   |
| Warren Y. Eberlein      | Warren R. Moll        |
| Eleanor V. Jahn         | Marie F. Peterman     |
| William Lynn            | Eugene A. Rheinheimer |
| Kathryn M. Mathis       | Herbert J. Snyder     |

"Appropriate notations have been made in the Board's records of the names reported as deletions."

Approved unanimously.

Letter to the Presidents of all Federal Reserve Banks, reading as follows:

"This refers to the form of special lending agency agreement between the Federal Reserve Banks and the Commodity Credit Corporation which was enclosed with the Board's letter of February 17, 1949 (S-1090).

"In order that it might be in a position to make advances to member banks during the first 10 days of a calendar month on the security of certificates of interest issued under the cotton loan program where such certificates are assigned to the Reserve Bank during the same 10-day period, one of the Federal Reserve Banks

4/25/49

-2-

"requested that the lending agency agreement be modified so as to provide in substance that assignments of certificates of interest given during the first 10 days of a calendar month would be immediately effective, except as to payments made on the certificates during such 10-day period.

"We have taken this matter up with the Commodity Credit Corporation and have been advised that it is acceptable to that Corporation to modify the form of agreement enclosed with the Board's letter of February 17, 1949, by striking out the following words in paragraph numbered 5 of the agreement:

'provided further that no assignment shall become effective during the first 10 days of any calendar month'

and inserting in lieu thereof the following words:

'provided further that payments made on certificates during the first 10 days of any calendar month will be made without regard for any assignment of which advice is received during the same 10-day period, but in all other respects such assignments shall become effective when advice of the assignment is received'.

"In the case of any Federal Reserve Bank which has already executed an agreement with the Commodity Credit Corporation in the form enclosed with the Board's letter of February 17, 1949, and which desires to make this change in its agreement, it will be necessary for the Reserve Bank to enter into a supplemental agreement with the Commodity Credit Corporation. Enclosed is a suggested form of agreement, entitled 'Amendment to Lending Agency Agreement', which is acceptable to the Commodity Credit Corporation. The execution of this agreement should be handled in the same manner as the execution of the original agreement."

Approved unanimously.

Letter to the Honorable Frank Pace, Jr., Director, Bureau of the Budget, reading as follows:

"Enclosed herewith is a draft of bill and letter relating to the establishment of branches by Federal

4/25/49

-3-

"Savings and Loan Associations, which the Board proposes to send to Mr. Spence, Chairman of the House Committee on Banking and Currency.

"Before transmitting this letter and draft of bill, the Board will appreciate advice as to the relationship of the proposed legislation to the program of the President."

Approved unanimously.

Letter prepared for Chairman McCabe's signature to Mr. Richard Rapport, National Association of Supervisors of State Banks, 241 State Office Building, Hartford 15, Connecticut, reading as follows:

"Thank you for your letter of April 11, 1949 and enclosures regarding the establishment of branches by Federal savings and loan associations.

"The Board is in sympathy with the proposal of your Association that legislation be obtained which will provide for the establishment of branches by Federal savings and loan associations along the lines of the statute relating to branches of national banks. We propose to write to Chairman Spence requesting that favorable consideration be given to such legislation after we have taken the matter up with the Bureau of the Budget in accordance with the usual procedure."

Approved unanimously.

*[Handwritten Signature]*  
Secretary.

Approved:

*[Handwritten Signature]*  
Chairman pro tem.